



Executive Director's Report to the Board

June 19, 2024

Labour Relations Update

During the second half of the 2023/24 school year, OLRC staff have been assisting districts with preparations for local Teacher bargaining as well as with ongoing grievances, investigations and disability management.

As of May 31, 2024, the overall file count at the OLRC was 517 (266 Teacher/Admin. and 251 Support Staff), which is a slight increase from previous years. School districts have been busy with the annual staffing cycle and more questions have been coming into the OLRC regarding the layoff process this year as compared to the focus on recruitment last year. There have also been several significant investigations leading to suspensions, terminations and resignations.

One such investigation involved a teacher and allegations of inappropriate use of physical force and yelling while correcting student behaviour. The investigation, which was conducted by district staff with support from the ORLC, found that the allegations were substantiated. Given all the circumstances, this resulted in a recommendation of suspension. The language of the teacher collective agreement in that district required that the teacher and union have the opportunity to participate in a hearing of the Board of Education prior to the suspension being confirmed. Although this language exists in many teacher collective agreements, having a teacher discipline hearing is not a common occurrence for Boards. This is often because, when presented with the results of the investigation, the teacher accepts the recommended outcome of the investigation and waives the right to a Board hearing. In this case, the teacher and union asserted their right to a hearing. The Executive Director supported the district in the investigation and with the writing of a report to the Board as well as providing guidance about the Board process for the meeting. The Executive Director also provided a recommendation for legal counsel to advise the Board in their deliberations. A closed Board hearing was held where the Board heard the evidence from the investigation as well as the submission from the union and teacher. The Board then deliberated, which was supported by legal counsel, and concluded that there was just cause to suspend the teacher without pay for one week. A letter was then created for the Superintendent to communicate this outcome to the teacher and the Superintendent reported the suspension to the Teacher Regulation Branch (TRB) as required by the School Act. This process did include a legal review of the investigation process and the report. The legal view, along with the decision of the Board, supported the outcome of the staff investigation.

Grievance and Arbitration

Year to date there are 32 active grievances (27 Teacher & 5 Support Staff) at Step 3 or further in the CLASS system with 11 currently referred to arbitration. There are significant delays occurring in

obtaining arbitration dates for those grievances referred to arbitration, with several grievances arising in 2023 having hearing dates set for 2025. Given this delay there is a growing reliance on scheduling mediation dates in advance of arbitration hearings. Mediations are shorter and thus easier to schedule for the arbitrator/mediator. They also typically take less preparation for the lawyers involved and are therefore less expensive. Mediation settlements are voluntary, and it is still important to ensure that any settlements reached are in the best interest of the employer. If mediation is unsuccessful, the arbitration will proceed.

On June 4, 2024 an OLRC district participated in a mediation with their local teachers' association and the BCTF on a teacher grievance involving contracting out which has implications on important services to students. The grievance began when the district was unable to recruit district psychologists through their regular posting process. The consequence of not having enough psychologists was that there was a growing backlog of students who were not getting assessments done which are necessary for Ministry coding, funding and the proper identification of required supports for the students. In the teacher collective agreement there is language that prohibits contracting out without union agreement. The district sought union agreement to hire an external psychologist on a contract basis while they continued to recruit for an employee. The union refused the request. This continued into the following year with more district recruitment efforts which were largely unsuccessful. The union requested that the district post the position as continuing, which the district did. However, the union still did not agree to the district request to contract out the service until internal hiring could be done. The backlog of students who were awaiting assessments was growing. The district, in consultation with the ORLC, initiated an employer grievance against the union for unreasonably withholding their agreement to contract out the position. When the union denied the grievance, the district opted to proceed with efforts to hire a contract psychologist. When a contract psychologist was hired on a temporary basis, the union initiated a grievance. The district meanwhile also hired two psychologist interns on exempt term contracts, one of whom has since been hired as a bargaining unit employee. The grievances are scheduled for arbitration in October 2024 unless resolved in the mediation. The mediation was not concluded on June 4 but the parties are still in discussions. The Executive Director and legal counsel will continue to support the district in this matter.

Provincially, districts have been recently impacted by an arbitration decision regarding TTOC's access to the teachers provincial extended health plan. This issue began in 2019 with an arbitration decision by Korbin which determined that TTOC's could access the teachers extended health plan at their own expense. To implement this decision, a separate provincial extended health plan was created for TTOC's which included all of the same coverage as the teacher extended health plan, however the TTOC's had their own experience rating. Over time, this differential experience rating resulted in significantly higher premium costs for TTOC's. This led to another BCTF grievance. In a July 2023 arbitration with arbitrator Peltz, the BCTF were successful in their grievance. In November 2023 a consent award was issued by arbitrator Peltz which provided direction on how to implement his decision which required all TTOC's to have access to the main teacher extended health plan with the same premiums as other teachers. The effective date of this change is July 1, 2024 and from this point on school districts will be collecting and remitting premiums directly from the TTOC's in their district and the cost of the premiums will be the same for all teachers based on whether they are single, couple or family. From September 1, 2024 to

November 30, 2024 there will be an open enrollment period for all TTOC's who previously choose not to be part of the extended health plan and they can now join without being considered a late applicant. Going forward, having TTOC's in the same plan as teachers is expected to increase the overall cost of the plan.

BCPSEA

On February 22, 2024 it was announced that Alan Chell resigned as Board Chair of BCPSEA due to a family conflict of interest, after being a member of the BCPSEA Board for 30 years. Alan continues to serve in his long-term role as Board Chair of SD 19 and as a valued Director on the OLRC Board. Alan has been a strong supporter of the OLRC and previously served for years as the Board Chair and Vice Chair of the OLRC. Alan was instrumental in providing leadership to BCPSEA through very challenging times and his vast knowledge of the sector and of labour relations and bargaining will be sorely missed. Shirley Wilson became Interim Chair of BCPSEA. On April 15, 2024 BCPSEA held a regional by-election for the Okanagan region representative to the Board. Rob Zandee, Board Chair of SD 53 and of the OLRC, was the successful candidate for this seat and now also serves on the BCPSEA Board. It is great to see Rob in this role and a continuation of the connection between BCPSEA and the OLRC at the Board level. A new Chair of the BCPSEA Board is to be confirmed on June 19, 2024 and Rob is one of the nominees for the position.

Leanne Bowes, Executive Director, Labour Relations (Collective Bargaining) has given notice that she will be leaving BCPSEA in July 2024 to take on the role of CEO of the Post Secondary Employers' Association. Leanne has worked with BCPSEA since 2013 and has been an important part of the organization and the senior leadership team. She has been active in the bargaining process since joining BCPSEA and led the teacher and support staff tables during the last round and was planning to do so again for the 2025 bargain. A search is underway to replace Leanne's position, but it will be difficult to replace her knowledge and connection to the sector.

The contract between the OLRC and BCPSEA for the Executive Director to provide BCPSEA services to the OLRC member districts provides the basis for an important ongoing connection between our organizations. The contract makes a significant contribution to the OLRC revenue and requires a significant amount of the Executive Director's time. However, it is well aligned with the work of the OLRC and it prevents districts from having to access different people to obtain required labour relations services. The Executive Director participates in scheduled weekly virtual meetings and ongoing communication with BCPSEA as part of her liaison services contract with BCPSEA and regularly communicates provincial information to OLRC member districts.

The Executive Director also participates in BCPSEA new employee mentoring and continues to fulfill her role as a member on the Support Staff Education Committee (SSEC) and Provincial Job Evaluation Steering Committee. The Executive Director supports the delivery of training and co-presented the BCSPEA Investigating Misconduct virtual course on April 8 and 9, 2024 and is scheduled to assist with the Collective Bargaining Academy training session this fall in Kelowna on October 15 and 16, 2024. As part of the district liaison role, the Executive Director will be co-presenting with Debbie Craig from BCPSEA at BCSTA Chapter meetings in the Kootenay and Okanagan regions. The meetings are on September 20, 2024 in Nakusp, hosted by SD 10, and in Revelstoke on October 4, being hosted by SD 19. The meetings are to provide information on bargaining and labour relations updates from BCPSEA.

Teacher

In accordance with the process agreed upon by the BCTF and BCPSEA, local teacher bargaining tables will open Monday, November 4, 2024 and must conclude by Friday, February 28, 2025. Notice to end practice on both local and provincial matters can be served at the local table if done by November 29, 2024. Provincial matter notices may also be served by BCPSEA at the provincial table. Local matters that reach impasse may be referred to the provincial parties to request Local Matters Facilitation prior to February 14, 2025, by mutual agreement of the local parties; or between February 14, 2025, and February 28, 2025, by either local party. The Local Matters Agreement (LMA) can be implemented at the date of ratification, on July 1, 2025 or upon ratification of the provincial bargaining table, but no earlier than July 1, 2025. BCPSEA and the BCTF hosted joint virtual training sessions about the local bargaining process in May.

The Executive Director has been providing assistance to districts as requested in the development of local teacher bargaining plans. Districts are expected to submit their local teacher bargaining plan to BCPSEA for approval by July 31, 2024 in order to provide sufficient time for BCPSEA to review and approve the plans before the commencement of local bargaining. SD 22 was the first district in the province to have their local bargaining plan approved by BCPSEA.

The Executive Director will be acting as spokesperson for four districts during local teacher bargaining this round: SD 10, 22, 58 and 74. Districts are reminded that during periods of bargaining the Executive Director will not be available to respond to incoming requests as quickly as normal. As part of the proposed budget for next year, some additional temporary hours are being requested for the Executive Assistant, HR and the Workplace Health Specialist to help support districts.

Support Staff

Support staff bargaining can commence as early as March 2025 and will likely start with negotiations for the Provincial Framework Agreement (PFA) between the K-12 Presidents Council and BCPSEA. There has been increasing coordination in the bargaining process with support staff over the years and it is likely that notice to bargain for local school districts will not be given by the unions until the PFA is either completed or very nearly so. It is important to remember that the provincial bargaining process with support staff is a voluntary arrangement between the parties. With teachers there is one bargaining unit and one union – BCTF. With support staff there are several different unions, although CUPE is the largest, and the bargaining certifications for support staff unions are all at the local district level. This means that the authority to bargain and ratify all of the support staff collective agreements is through the local unions on the union side. The employers' authority to bargain is held by BCPSEA, but that authority is delegated to the local school districts. The employer therefore has a two-step ratification process, one at the local Board of Education level and one with the BCPSEA Board.

The support staff local unions have chosen to elect representatives to the K-12 Presidents Council in order to bargain items of provincial significance and which are common to the locals, i.e. general wage increases, standardized benefits, provincial initiatives such as the PEBT. This structure is also helpful for the employer as it prevents the need to bargain the monetary mandate provided by PSEC at every local

table. Once the Provincial Framework Agreement is established it also needs to be included in each local collective agreement and ratified at a local level in order for it to be in effect.

The Executive Director has been a part of the employer bargaining team for the PFA since 2010 and is expected to do so again in the coming round of negotiations. Once districts have completed their local teacher bargaining plans, preparations will soon be underway to develop support staff bargaining plans. The Executive Director has historically acted as spokesperson or a member of the bargaining team for all OLRC member school districts.

Exempt Staff

BCSPEA confirmed with school districts, after hearing from PSEC, that funding is confirmed for the 2024 exempt staff salary increase which is to be effective July 1, 2024. The standard increase is 3% based on the amount provided for in the union collective agreements. This is the amount that is funded by Ministry. However, districts have discretion to provide up to a 5% increase to exempt employees, subject to positive performance and BCPSEA approval. The OLRC budget contemplates salary increases of 3% for OLRC staff.

BCPSEA also provided districts with authorization to update exempt benefit plans to the terms of the standard teacher extended health plan effective July 1, 2024. For those districts not on the standard plan, authorization was provided to amend the coverage for counseling to include registered clinical counselors and registered social workers with an annual limit of \$1500. Coverage was also authorized for the HPV and Shingles vaccine. Increases to the OLRC benefit plan are contemplated based on this direction.

General Update

Workplace Health

As we move towards the end of the 2023/24 school year, activity in the workplace health space has continued to grow and expand. The Workplace Health Specialist is becoming more strategic with districts on their approach to complex files using the services of third-party providers for medical file reviews and independent medical exams (IME's). Outcomes have allowed districts to make sound decisions regarding duty to accommodate, return to work and appropriateness of continued medical absences. In some cases, districts have seen employees reach their own decisions as to the viability of continued employment with the school district, ultimately, resigning. A consistent and individualized approach to each case file has positioned districts to be confident in their decisions and to be prepared for potential employee and union challenges.

Attendance Support programming continues to be a focus particularly with one school district. Guidance, training, and communication strategies are actively being worked on with the support of the Workplace Health Specialist. Continuation of work in all aspects of workplace health can enhance workplace culture and overall wellbeing of our employees, students, and communities.

Job Evaluation

The Executive Assistant, HR continues to provide direct assistance to SD 10, 19, 22, 51 and SD 53 with their CUPE support staff job evaluation plans, including job description creation and interim wage rate setting. The Executive Assistant, HR provides ongoing assistance to SD 10, 22 and 53 with the facilitation of their job evaluation committee meetings which the districts have found to be quite helpful. The Executive Director supports the Executive Assistant in this work and the knowledge of how JE is operating at the local level is an important perspective to bring when working on the Provincial Support Staff Job Evaluation Committee.

Strategic Plan

The OLRC staff continued to meet established goals and timelines identified in the 2023-2026 Strategic Plan and 2023/24 annual Operational Plan.

2023/24 was the first year of the current three (3) year OLRC Strategic Plan. A few notable accomplishments during the second half of the year include the Executive Director and Workplace Health Specialist providing a virtual presentation to SD 58's Leadership Group on May 28 regarding managing in a unionized workplace, the Workplace Health Specialist providing training to SD 51's Admin team on May 31 regarding attendance support, the Executive Director providing direct support for districts on local teacher bargaining plans and the work done by the Executive Assistant, HR and the Management Committee to prepare a multi-year budget.

Workplace Health Specialist Position

One of the objectives of the Strategic Plan was to determine whether to include the position of Workplace Health Specialist in the main salary budget for the OLRC, along with the salaries for the Executive Director and the Executive Assistant, HR. In consultation with school districts and the Management Committee, it is recommended to move this position into the main salary budget. The initial reason to have a separate funding arrangement for the Workplace Health Specialist position was that the money for this position was special purpose funding provided to school districts from Ministry, to assist with the Attendance Support initiative in 2016. At the time the funding was equally provided to all of the OLRC districts, and the districts decided to pool their money and hire an employee on a contract basis through the OLRC. Ms. Shari Featherstone was hired as an Attendance Wellness Consultant through the OLRC.

The funding from the Ministry for the Attendance Support initiative was time limited. However, even after the Ministry funding expired, the OLRC districts saw a continuing need for support in the areas of disability management, attendance support and wellness. The Attendance Wellness Consultant position became funded directly by districts on an equal share basis. The position remained as a term contract, which was extended annually, until 2020 when Ms. Featherstone was offered and accepted a continuing employment contract with the OLRC as a Workplace Health Specialist. At the time, it was still the wish of the districts to fund the position on an equal share basis, so it was not included in the membership fee formula calculation along with the other staff salaries.

In 2022 Ms. Featherstone took a position as the Director of HR for SD 74 and the OLRC districts were canvassed to determine whether this position was one which should be replaced. It was unanimously agreed that the position added value and Ms. Kathy Wright was hired by the OLRC as the new Workplace Health Specialist. Over the course of time the OLRC districts have all benefited from this position. The specific work that is done to support districts and the amount of use for any given district will vary over time, as it does with all of the OLRC staff roles. Given the length of time that we have had the Workplace Health Specialist position and the nature of the work, it is no different than our other staff roles and as such it is recommended that it be included in the main salary budget. The Board will be provided with more information about this in the budget presentation.

OLRC Budget

Approved 2023/2024 Budget

In June 2023, the OLRC Board approved the 2023/24 annual budget which included an 8% increase in membership fees to support a 6.75% salary increase for OLRC staff, effective July 1, 2023, per the PSEC exempt staff salary increase mandate. The budget also included an increase in revenue from the BCPSEA liaison service fees of 6.75% per our contract with BCPSEA. The membership fee increases of 8% was not sufficient to balance the budget in the current year without using surplus. We have historically tried to avoid large one-year increases in membership fees, so the Management Committee recommended the increase in fees be spread over a two-year period.

Proposed Membership Fee Formula Amendment

As previously mentioned, the proposed budget for 2024/25 includes the costs for the Workplace Health Specialist in the main salary budget. This does not change the overall cost of the position; however, it does change the distribution of the cost to each district through the membership fee formula. When the impact of this change was modeled, it was found that the annual membership fee would change significantly for some districts, in a manner that did not equitably reflect sharing of the workload for the position, if the membership fee formula remained the same. In fact, without a change to the membership fee formula some districts would be paying significantly less than they do now and others significantly more, which is not equitable.

The current membership fee formula is based on a cost recovery model where 55% of the total operating costs of the OLRC are shared equally between school districts and 45% of the costs are allocated in proportion to the school district's operating grant from the prior year. This formula is intended to reflect a recognition that there is some relationship between the size of the member district and the amount of service required from the OLRC. The formula also recognizes that some level of service is required by all districts regardless of size. In reality, it is not an exact science. The nature and volume of service to districts fluctuates over time and there have been times when the smaller districts take significantly more resources than the larger districts and vice versa depending on variables such as, changes in senior staff, changes in union leadership, significant investigations, bargaining and grievance activity. The weighting of the membership fee formula has been reviewed and amended by the Board in the past and will continue to be reviewed on a periodic basis in the future.

It is being recommended by the Management Committee that the Board amend the membership fee formula at this time to be based on 65% of the fees being equally shared between districts and 35% being prorated based on the districts' operating grant. This change continues to reflect some variability in fees based on district size and it allows the fees from the Workplace Health Specialist position to be added into the main salary budget without a significant change for districts from the total amount of fees which have been paid to the OLRC in two portions. The proposed budget was produced based on the assumption that the membership fee formula was amended.

Three-Year Projection

One of the goals in the current strategic plan and the annual operating plan was to review the budgeting process for the OLRC. At the March 2024 Board meeting, the Management Committee recommended to the Board the adoption of a three-year budget projection to help create more effective long-term planning for the organization and to align with the practice being used in school districts. This recommendation was accepted by the Board and the proposed 2024/25 budget being presented to the Board for approval at the June 2024 meeting includes a three-year projection. This multiyear projection has allowed for better planning of membership fee increases, computer and equipment replacement, lease expense planning and use of accumulated surplus to add support during bargaining years.

The new OLRC surplus policy also provides more guidance in how to manage accumulated surplus. The policy instructs the OLRC to maintain sufficient restricted surplus to ensure coverage of known liabilities (i.e. accrued vacation and professional development allocations), as well as sufficient unrestricted surplus to offset risk from loss of revenue given the voluntary nature of the council. Surplus beyond these amounts is not allocated and may be used to support other initiatives based on Board approval.

The three-year budget proposes utilizing unallocated surplus funds to offset the cost of membership fee increases until we are back at a balanced budget in year three of the projected budget, to upgrade computers and to add extra temporary hours to the positions of Executive Assistant, HR and the Workplace Health Specialist for the upcoming collective bargaining cycle. The use of surplus to offset membership fee increases is a recognition that surplus is built from fees previously provided by members and is a way to give back to districts. The additional hours are viewed as necessary to support service to districts when the Executive Director is directly involved in the collective bargaining process for local teacher bargaining, provincial K-12 support staff bargaining and local support staff bargaining.

The recommendation from the Management Committee is that membership fee increases should be spread over a three-year period with a declining use of surplus to achieve a balanced budget in year three. To achieve this, the three-year budget proposes an increase of 4% for 2024/25 with an approximate use of \$7,700 of surplus, then a projected increase of 3% for 2025/26 with an estimated use of \$4,800 from surplus and a projected increase of 1.5% for 2026/27 with no material use of surplus anticipated. Additional use of surplus in the amount of \$12,700 is being budgeted for in 2024/25 for the increase in temporary hours of the Executive Assistant, HR and Workplace Health Specialist and \$17,929 in 2025/26 for an increase in temporary hours as well as for technology upgrades.

Proposed 2024/25 Budget

Although there is a three-year budget projection, the only year that is being formally approved by the Board at this time is the budget for the 2024/25 year. The proposed budget for 2024/25 year is attached to this report.

The budget includes a recommended increase in membership fees of 4% which is inclusive of a 3% salary increase effective July 1, 2024 which is in line with union increases and has been authorized by BCPSEA for exempt staff, as well as increases in some extended health benefits as permissible by BCPSEA. An upgrade to our IT security system has been included in response to the increased risks associated with cyber security and our obligation to protect the personal and confidential information stored in the OLRC system. The budget also includes an increase in revenue from the BCPSEA liaison service fees of 3% per our contract with BCPSEA. The 2024/25 budget has been reviewed and is being recommended by the OLRC Management Committee.